

AMENDED IN ASSEMBLY APRIL 20, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1559**

**Introduced by Assembly Member Gordon**

February 22, 2005

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An act to add Chapter 7.2 (commencing with Section 8669) to Division 1 of Title 2 of the Government Code, relating to ~~financing a statewide communications interoperability development program, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1559, as amended, Gordon. Homeland Security Communications Interoperability ~~Bond Development~~ Act of 2005.

~~Existing constitutional and statutory provisions set forth procedures for the issuance of general obligation bonds. Under~~

(1) Under existing law, the Director of Homeland Security is the state coordinator of all homeland security activities, including strategy, information analysis related to terrorism, and protection of critical infrastructure from terrorism. The Public Safety Radio Strategic Planning Committee is established for the purpose of improving existing public radio systems and to develop interoperability among public safety departments, and between state public safety departments and local or federal entities.

This bill would enact the Homeland Security Communications Interoperability ~~Bond Development~~ Act of 2005, which, ~~if adopted,~~ would ~~authorize the issuance of bonds in the amount of \$5,000,000,000 pursuant to the State General Obligation Bond Law,~~

~~for the purposes of financing the acquisition of equipment for, and implementing, a statewide communications interoperability system. The act would continuously appropriate funds from the sale of the bonds and make these moneys available for the purchase and acquisition of radio interoperability equipment by state and local agencies and for the costs of~~ *require the California Statewide Interoperability Executive Committee (CALSIEC) and the Public Safety Radio Strategic Planning Committee to form a joint committee to prepare a specified report to the Legislature on or before February 1, 2006, with findings and recommendations for implementing a statewide communications interoperability system.*

~~The bill would provide for submission of the bond act to the voters at the next statewide election in accordance with specified law.~~

~~The~~

~~(2) The bill would declare that it is to take effect immediately as an urgency statute.~~

~~Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.~~

~~State-mandated local program: no.~~

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 7.2 (commencing with Section 8669) is added to Division 1 of Title 2 of the Government Code, to read:

CHAPTER 7.2. HOMELAND SECURITY COMMUNICATIONS  
INTEROPERABILITY ~~BOND~~ DEVELOPMENT ACT OF 2005

Article 1. General Provisions

8669. This chapter shall be known and may be cited as the Homeland Security Communications Interoperability ~~Bond~~ Development Act of 2005.

8669.1. (a) The Legislature finds and declares all of the following:

(a)

(1) The ability of several public safety agencies to communicate with one another from neighboring cities, adjacent counties, and across the state has become more essential since the terrorist attacks on September 11, 2001. The events of September 11th clearly demonstrated the need for law enforcement,

1 firefighters, and emergency medical services personnel to be able  
2 to effectively communicate in times of need so resources can be  
3 properly utilized and lives can be saved.

4 ~~(b)~~

5 (2) Currently in this state, the ability of public safety agencies  
6 to communicate with each other is largely ~~not possible~~  
7 *impossible* because of all the different ~~radio~~ communications  
8 systems being utilized by the various public safety agencies. This  
9 problem has been examined by the California Statewide  
10 Interoperability Executive Committee (CALSIEC), the Public  
11 Safety Radio Strategic Planning Committee, and the Legislature.  
12 ~~Standards have been discussed and for the most part agreed to,~~  
13 ~~but the problem of proper funding has yet to be determined.~~

14 ~~(e) This act will provide a five billion dollars (\$5,000,000,000)~~  
15 ~~bond measure to provide funding to public safety agencies~~  
16 ~~throughout the state for the acquisition of equipment and the~~  
17 ~~implementation of a communications interoperability system.~~  
18 ~~This bond measure would authorize CALSIEC in consultation~~  
19 ~~with the Governor's Office of Homeland Security, and the Public~~  
20 ~~Safety Radio Strategic Planning Committee to manage and~~  
21 ~~oversee the implementation of the system and to award funding~~  
22 ~~based on the needs as determined by CALSIEC.~~

23 *(b) The California Statewide Interoperability Executive*  
24 *Committee (CALSIEC) and the Public Safety Radio Strategic*  
25 *Planning Committee shall form a joint committee that shall*  
26 *prepare a report to the Legislature with recommendations for the*  
27 *implementation of a statewide interoperable communications*  
28 *system that shall do the following:*

29 *(1) Recommend a performance standard that requires*  
30 *communications systems and devices to have open architecture,*  
31 *backward compatibility, and compliance with subdivision (a) of*  
32 *Section 8592.5.*

33 *(2) Provide an estimated timeline and strategy for statewide*  
34 *implementation of the system.*

35 *(3) Identify the funding that would be required to purchase*  
36 *and maintain a statewide interoperable communications system*  
37 *for frontline public safety agencies.*

38 *(c) The joint committee shall report its findings and*  
39 *recommendations to the Legislature on or before February 1,*  
40 *2006.*

1 8669.2. As used in this chapter, the following terms have the  
2 following meanings:

3 ~~(a) “Committee” means the Homeland Security Finance~~  
4 ~~Committee created pursuant to Section 8669.6.~~

5 ~~(b) “Fund” means the Homeland Security Fund created~~  
6 ~~pursuant to Section 8669.3.~~

7 ~~(c) “Joint committee” means the members of the California~~  
8 ~~Statewide Interoperability Executive Committee (CALSIEC) and~~  
9 ~~the Public Safety Radio Strategic Planning Committee, with the~~  
10 ~~Secretary of Homeland Security as the chairperson.~~

11 ~~(a) “Joint committee” means the members of the California~~  
12 ~~Statewide Interoperability Executive Committee (CALSIEC) and~~  
13 ~~the Public Safety Radio Strategic Planning Committee, with the~~  
14 ~~Secretary of Homeland Security as the chairperson.~~

15 ~~(b) “Frontline public safety agencies” include, but are not~~  
16 ~~limited to, the California Highway Patrol, state fire agencies,~~  
17 ~~state and local emergency medical services agencies, local~~  
18 ~~sheriff’s departments, municipal police departments, county and~~  
19 ~~city fire departments, police and fire protection districts, and the~~  
20 ~~Governor’s Office of Homeland Security.~~

21  
22 ~~Article 2. Statewide Communications Interoperability~~  
23 ~~Development Program~~  
24

25 ~~8669.3. (a) The proceeds of bonds issued and sold pursuant~~  
26 ~~to this chapter shall be deposited in the Homeland Security Fund,~~  
27 ~~which is hereby created.~~

28 ~~(b) Notwithstanding Section 13340, moneys in the fund is~~  
29 ~~continuously appropriated without regard to fiscal years for the~~  
30 ~~purposes of this chapter and shall be available for allocation by~~  
31 ~~the joint committee for the purchase and acquisition of radio~~  
32 ~~interoperability equipment by state and local agencies and for the~~  
33 ~~costs of implementing a statewide communications~~  
34 ~~interoperability system.~~

35 ~~(c) Prior to any funding being issued, the joint committee shall~~  
36 ~~create a performance standard that ensures interoperability~~  
37 ~~among state and local public safety agency communication~~  
38 ~~devices. The performance standard adopted by the joint~~  
39 ~~committee shall incorporate open standards for communication~~

1 systems and devices, and provide that those systems and devices  
2 be backward compatible.

3 (d) The joint committee shall be responsible for informing  
4 companies who specialize in manufacturing communications  
5 devices of the performance standards that their equipment  
6 production line will be required to meet.

7 (e) State and local public safety agencies shall be allowed to  
8 maintain current communication systems until the performance  
9 standard is adopted. State and local public safety agencies are  
10 hereby encouraged to purchase equipment after the adoption of a  
11 performance standard that complies with the state and federal  
12 governments' performance standard.

13 (f) Priority for the allocation of funding shall be to "frontline"  
14 public safety agencies. These agencies are the California  
15 Highway Patrol, State Fire agencies, sheriff departments,  
16 municipal police departments, county and city fire departments,  
17 and the Governor's Office of Homeland Security.

18  
19 Article 3. Fiscal Provisions  
20

21 8669.4. Bonds in the total amount of five billion dollars  
22 (\$5,000,000,000), or so much thereof as is necessary, not  
23 including the amount of any refunding bonds, or so much thereof  
24 as is necessary, may be issued and sold to provide a fund to be  
25 used for carrying out the purposes expressed in this chapter and  
26 to reimburse the General Obligation Bond Expense Revolving  
27 Fund pursuant to Section 16724.5. The bonds, when sold, shall  
28 be and constitute a valid and binding obligation of the State of  
29 California, and the full faith and credit of the State of California  
30 is hereby pledged for the punctual payment of both principal of,  
31 and interest on, the bonds as the principal and interest become  
32 due and payable.

33 8669.5. The bonds authorized by this chapter shall be  
34 prepared, executed, issued, sold, paid, and redeemed as provided  
35 in the State General Obligation Bond Law (Chapter 4  
36 (commencing with Section 16720) of Part 3 of Division 4 of Title  
37 2), and all of the provisions of that law, except for the application  
38 of Section 16727, apply to the bonds and to this chapter and are  
39 hereby incorporated in this chapter as though set forth in full in  
40 this chapter.

~~8669.6. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law of the bonds authorized by this chapter, the Homeland Security Finance Committee is hereby created. For purposes of this chapter, the Homeland Security Finance Committee is “the committee” as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Treasurer, the Director of Finance, the Secretary of Homeland Security, the Director of the Office of Emergency Services, and the chairpersons of the California Statewide Interoperability Executive Committee (CALSIEC) and the Public Safety Radio Strategic Planning Committee or their designated representatives. The Secretary of Homeland Security shall serve as the chairperson of the committee. A majority of the committee may act for the committee.~~

~~(b) For purposes of the State General Obligation Bond Law, the committee is designated the “board.”~~

~~8669.7. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in subdivision (b) of Section 8669.3 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.~~

~~8669.8. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.~~

~~8669.9. Notwithstanding Section 13340, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:~~

~~(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.~~

1 ~~(b) The sum necessary to carry out Section 8669.10,~~  
2 ~~appropriated without regard to fiscal years.~~

3 ~~8669.10. For the purposes of carrying out this chapter, the~~  
4 ~~Director of Finance may authorize the withdrawal from the~~  
5 ~~General Fund of an amount not to exceed the amount of the~~  
6 ~~unsold bonds that have been authorized by the committee to be~~  
7 ~~sold for the purpose of carrying out this chapter. Any amounts~~  
8 ~~withdrawn shall be deposited in the fund. Any money made~~  
9 ~~available under this section shall be returned to the General Fund~~  
10 ~~from proceeds received from the sale of bonds for the purpose of~~  
11 ~~carrying out this chapter.~~

12 ~~8669.11. All money deposited in the fund that is derived from~~  
13 ~~premium and accrued interest on bonds sold shall be reserved in~~  
14 ~~the fund and shall be available for transfer to the General Fund as~~  
15 ~~a credit to expenditures for bond interest.~~

16 ~~8669.12. Pursuant to Chapter 4 (commencing with Section~~  
17 ~~16720) of Part 3 of Division 4 of Title 2, the cost of bond~~  
18 ~~issuance shall be paid out of the bond proceeds. These costs shall~~  
19 ~~be shared proportionally by each program funded through this~~  
20 ~~bond act.~~

21 ~~8669.13. The board may request the Pooled Money~~  
22 ~~Investment Board to make a loan from the Pooled Money~~  
23 ~~Investment Account, including other authorized forms of interim~~  
24 ~~financing that include, but are not limited to, commercial paper,~~  
25 ~~in accordance with Section 16312, for purposes of carrying out~~  
26 ~~this chapter. The amount of the request shall not exceed the~~  
27 ~~amount of the unsold bonds that the committee, by resolution,~~  
28 ~~has authorized to be sold for the purpose of carrying out this~~  
29 ~~chapter. The board shall execute any documents required by the~~  
30 ~~Pooled Money Investment Board to obtain and repay the loan.~~  
31 ~~Any amounts loaned shall be deposited in the fund to be~~  
32 ~~allocated by the board in accordance with this chapter.~~

33 ~~8669.14. The bonds may be refunded in accordance with~~  
34 ~~Article 6 (commencing with Section 16780) of Chapter 4 of Part~~  
35 ~~3 of Division 4 of Title 2, which is a part of the State General~~  
36 ~~Obligation Bond Law. Approval by the voters of the state for the~~  
37 ~~issuance of the bonds described in this chapter includes the~~  
38 ~~approval of the issuance of any bonds issued to refund any bonds~~  
39 ~~originally issued under this chapter or any previously issued~~  
40 ~~refunding bonds.~~

~~8669.15. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment of earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.~~

~~8669.16. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not “proceeds of taxes” as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.~~

~~SEC. 2. Section 1 of this act shall take effect upon the approval by the voters of the Homeland Security Communications Interoperability Bond Act of 2005, as set forth in Section 1 of this act.~~

~~SEC. 3. Section 1 of this act shall be submitted to the voters at the next statewide election in accordance with provisions of the Government Code and the Elections Code governing the submission of a statewide measure to the voters.~~

~~SEC. 4. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.~~

~~SEC. 5.~~

~~SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:~~



1 In order to establish a statewide communications  
2 interoperability system, thereby protecting public health and  
3 safety, it is necessary that this act take effect immediately.

O